

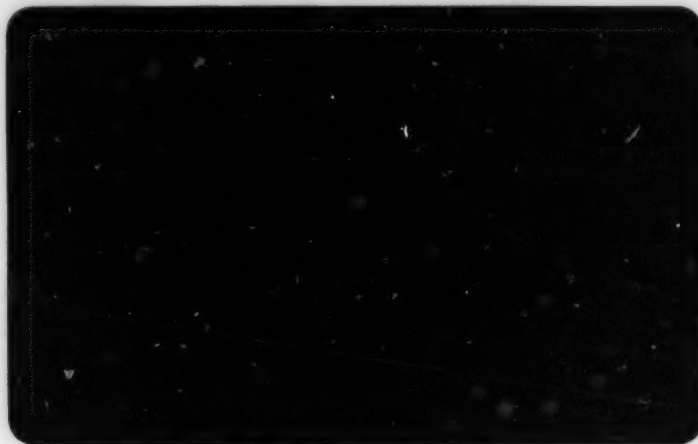
Alberta

**NORTHERN ALBERTA
DEVELOPMENT COUNCIL**



Advancing

**THE DEVELOPMENT OF
THE NORTHERN ECONOMY**



Position Paper on:
**Linking Fort Nelson, British Columbia and
Rainbow Lake, Alberta**

Prepared by:
**Northern Alberta Development Council
July, 2001**

CONNECTING NORTHWEST CANADA

**..... Linking Fort Nelson, British Columbia and
Rainbow Lake, Alberta**

**A
Northern Alberta Development Council
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CONNECTING NORTHWEST CANADA

..... Linking Fort Nelson, British Columbia and Rainbow Lake, Alberta

BACKGROUND INFORMATION The Proposed Project

Introduction

Over the past decade there has been a desire from northwestern Alberta municipalities, industries and community organizations to develop a highway connection between Fort Nelson, British Columbia and Rainbow Lake, Alberta. There has been an indication of a certain level of support for this proposal from interests in the Fort Nelson area.

Building this highway connection will "open-up" opportunities for the resource and economic development in this part of northwestern Canada. It will also provide an opportunity to enhance tourism development.

The Government of Alberta has made commitments to build the Alberta portion of the Fort Nelson-Rainbow Lake highway connection. The Government of British Columbia has not made any commitments, to date, in regards to the development of this highway connection.

Advancing Northern Development

The Northern Alberta Development Council is an organization that has a mandate to advance northern development. The Council is comprised of ten members, with the Chair being the Member of the Legislature Assembly for the Peace River Constituency.

The Council reports to the Minister of Aboriginal Affairs and Northern Development.

One of the goals of the Council is to address barriers to the development of northern Alberta, including ones related to the movement of people, goods and services. Coupled with this direction, in a goal to promote opportunities to enhance economic development in northern Alberta.

During the past ten years, the Council has received submissions regarding the development of the highway connection between Fort Nelson and Rainbow Lake. As well, this proposal was discussed at the Council's recent *Challenge North - Planning For Progress* Conference in March, 2000 in the City of Grande Prairie, Alberta. The submissions to the Council and the discussions at the Conference, indicated a strong desire from northwestern Alberta-based interests to see this highway connection developed.

The Council has also promoted the Fort Nelson-Rainbow Lake highway connection through its role as an advisor to the Northwest Corridor Development Corporation.

Purpose of the Position Paper

The Northern Alberta Development Council's members see merit with the promotion of the development of this highway connection between Fort Nelson and Rainbow Lake.

The purpose of this Position Paper is to indicate the Council's support for this proposal. The Position Paper will be used as a way to promote this highway connection to the key decision-makers and stakeholders with an interest in developing this link between these areas.

The Proposed Project

The basic concept of the project is to develop a public highway between the communities of Fort Nelson and Rainbow Lake. The public highway would provide year-round access to the communities, as well as the area between Fort Nelson and Rainbow Lake.

The proposed connection would be considered to be a primary highway in the Province of Alberta, with a similar rating based on the Province of British Columbia's highway system. The map, on page 3 of this Position Paper, generally outlines the location of the highway connection.

Due to the status of the highway connection, the development, operation and maintenance of the highway would be the responsibility of the respective provincial governments. This is due to the proposed "primary highway" status of the road.

Coupled with the development of this highway connection would be a project to widen Highway 58 between the Rainbow Lake and High Level areas in the Province of Alberta.

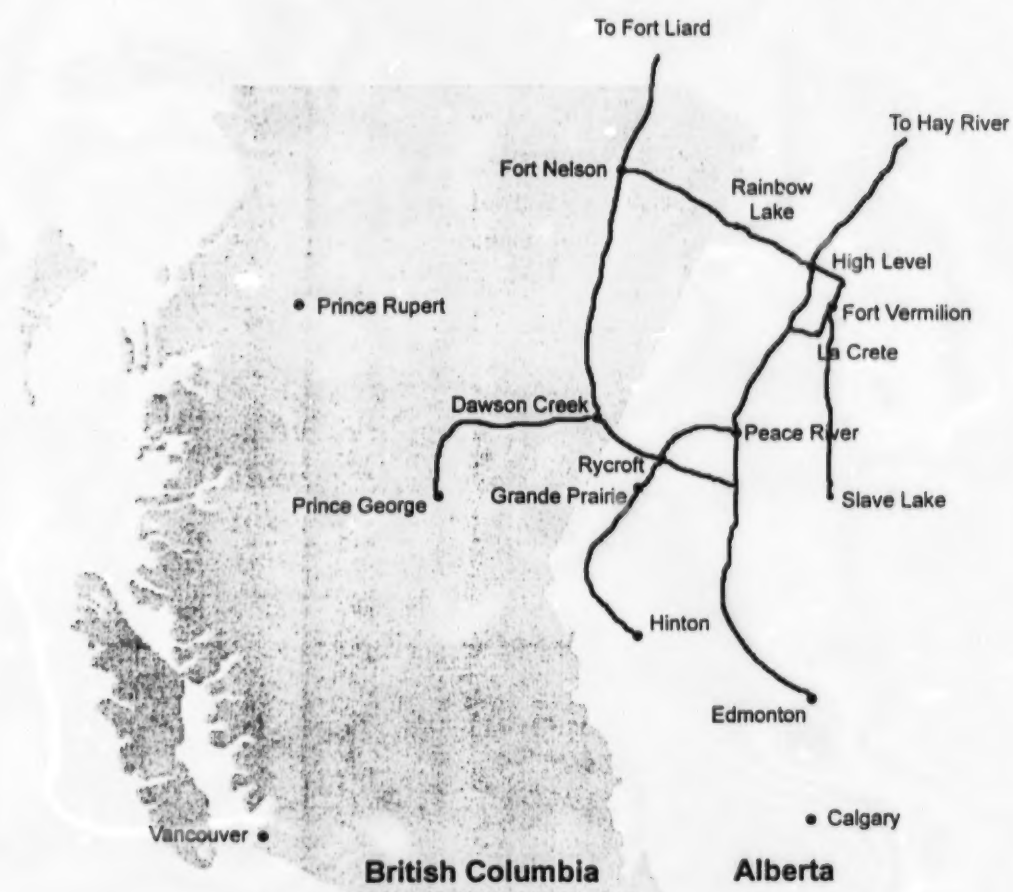
Objectives

Based on consultation with stakeholders and others with an interest in the development of the link between Fort Nelson and Rainbow Lake, the Council members have formulated the following objectives:

1. To support and encourage the development of a public highway connection between Fort Nelson, British Columbia and Rainbow Lake, Alberta.
2. To provide access to the economic, resource and tourism development opportunities located in this part of northwestern Canada.
3. To coordinate the development of a main access route into the Fort Nelson - Rainbow Lake area as a way to minimize adverse impacts on the land base, especially in terms of access to resource development operations.
4. To address safety considerations in terms of the movement of people, goods and services between the Fort Nelson and Rainbow Lake areas.

FORT NELSON - RAINBOW LAKE HIGHWAY CONNECTION

Location Map



Support for the Proposal

Over the years, there has been a great deal of support for the development of a highway connection between Fort Nelson and Rainbow Lake expressed by Alberta-based interests. This support has come from private, public and community-based organizations.

The following is a partial list of the organizations that have indicated their support for the Fort Nelson-Rainbow Lake highway connection:

- ▶ Municipal District of Mackenzie No. 23;
- ▶ Town of High Level;
- ▶ Town of Rainbow Lake;
- ▶ Mackenzie Economic Development Corporation;
- ▶ High Level and District Chamber of Commerce;
- ▶ Fort Vermilion Board of Trade;
- ▶ La Crete Chamber of Commerce;
- ▶ Regional Economic Development Initiative;
- ▶ Mackenzie Municipal Services Agency; and
- ▶ Mighty Peace Tourist Association.

The local Member of the Legislative Assembly of Alberta for the Peace River Constituency, Gary Friedel, has indicated his support for the development of this highway connection, coupled with the desire to see Highway 58 widened between Rainbow Lake and High Level.

On a number of occasions, the members of the Northern Alberta Development Council have supported this proposal. Most recently, the Council members reiterated their support for a meeting on November 23, 2000 in the City of Edmonton.

The Northwest Corridor Development Corporation has included the development of this highway connection as one of its main objectives. The Corporation's Board of Directors view this highway connection as a way to further enhance east-west transportation connections between Alberta and British Columbia.

CONNECTION FORT NELSON - RAINBOW LAKE

Factors To Consider

Existing Road Development

Highway 58 is a paved, primary highway that connects Rainbow Lake with the High Level area of northern Alberta. Highway 58 does not extend west of Rainbow Lake.

East of Fort Nelson, there is no developed public highway towards the Alberta border.

There are a number of winter resource roads that have been built by private interests active in resource development in the area. These roads are used to access resources, mostly oil and gas, and are not ones commonly used by the public. These roads are owned and/or operated by private companies. The road right-of-way is leased from the provincial government in the jurisdiction in which the road is located.

The Proposed Highway Connection

The proposal is to develop a public highway connecting Fort Nelson with Rainbow Lake, via Highway 58.

The highway will cover a distance of about 200 kilometres. The highway will be considered a primary highway for construction and use purposes. There will be a need to build a number of bridges depending on the location of the highway connection.

The long-term goal would be to have this highway paved.

Northwest Canada Integrated Road Concept Plan

In 1998, the Western Canada Premiers adopted a document known as the Northwestern Canadian Integrated Road Network Concept Plan.

The main purpose of the Concept Plan was to *document a long-term vision for an integrated road network in northwestern Canada*. The document is to be used as a basis from which inter-jurisdictional planning and road development could proceed.

The Concept Plan was viewed as a way to coordinate the development of necessary infrastructure that would lead to the advancement of economic development in northwestern Canada. These opportunities included:

- ▶ oil sands development;
- ▶ oil and gas;
- ▶ hydro industry;
- ▶ mining; and
- ▶ tourism development.

The Concept Plan noted, "new roads can also facilitate additional value-added processing opportunities."

Under the Concept Plan, the Province of Alberta has included the further extension of Highway 58 to the British Columbia border as one of its priority projects.

The Province of British Columbia has indicated that there are no proposed road projects for the northern part of the Province under the Concept Plan. This means that the construction of the highway connection between the Alberta/British Columbia border and Fort Nelson is not listed as a project under the provisions of the Concept Plan.

The Northwest Corridor

In 1998, the Northwest Corridor Development Corporation was established as a private-public partnership. It is a not-for-profit organization.

The mission statement of the Corporation is as follows:

MISSION STATEMENT:

The Northwest Corridor Development Corporation will work to sustain and enhance the economic base and trade potential of Canada's northwest corridor, through the use of its globally competitive transportation infrastructure.

One of the key strategic directions of the Corporation is the promotion of enhanced east-west transportation and trade connections across northwestern Alberta and British Columbia.

One of the priorities for the Northwest Corridor Development Corporation, as identified by the organization's Board of Directors, is as follows:

To secure investment for a 200 kilometre connector road between Fort Nelson, British Columbia and Rainbow Lake, Alberta enabling strategic inter-provincial flow for oil and gas, tourism and other economic sectors.

The construction of this highway connection will further advance the development and use of *The Northwest Corridor*. This transportation and trade corridor will provide infrastructure that will capture economic development opportunities for northwestern Canada. This is due to the attributes associated with *The Northwest Corridor*:

- ▶ Canada's closest gateway to Asia-Pacific markets;
- ▶ world class transportation corridor infrastructure;
- ▶ facilities have tremendous capacity for further growth;
- ▶ the transportation corridor is congestion free; and
- ▶ the system can handle most commodities.

The Corporation's Board of Directors have realized the need to enhance east-west transportation and trade connections in northwestern Canada, such as the development of the Fort Nelson-Rainbow Lake highway connection.

Economic Development Opportunities

The development of this highway connection between Fort Nelson and Rainbow Lake will result in a number of economic development opportunities for this part of northwestern Canada.

Oil and Gas..... The area has a number of existing and recently discovered fields, both oil and gas. This type of development has generated an increased interest in the development of this highway connection in terms of easier access to these resources.

There are also plans underway for the pipeline development that will require enhanced access for construction and servicing reasons. Gas development in the Northwest Territories, as well as the Fort Nelson-Rainbow Lake area, has resulted in the increased demand for pipeline capacity to move these products for processing and/or markets.

Enhanced highway access will provide exploration opportunities for the oil and gas sector.

Tourism..... The group known as Deh Cho - The Mackenzie Connection has been organized to promote tourism in northwestern Canada (northwestern Alberta, northeastern British Columbia and the Northwest Territories). The group promotes circle tours that connect, via highways, these parts of northwestern Canada.

Fort Nelson is located on the Alaska Highway which allows the community to take advantage of the tourist traffic flow to and from Alaska. Fort Nelson has been able to identify itself as a key point along this transportation route.

There is little tourism traffic in the Rainbow Lake area, due to the current highway system and the development of the tourism industry in this part of northern Alberta. A highway connection between Fort Nelson and Rainbow Lake would provide a new tourism route for visitors to northwestern Canada. This new highway link would result in new economic development for the area, resulting from the increased level of tourist traffic.

Non-Energy Minerals..... While there have been no announcements regarding the development of non-energy minerals in the Rainbow Lake area, this proposed highway connection may provide needed access to mining opportunities of this kind. There has been a great deal of non-energy mineral exploration activity in northwestern Alberta.

Service Sector..... As resource and tourism development occurs in the Fort Nelson-Rainbow Lake area, there will be a demand for increased service sector operations in both communities. This includes additional retail activity associated with increased levels of economic activity.

As noted in the Northwestern Canada Integrated Road Network Concept Plan, the development of Canada's northwest road system will generate expanded and new economic development opportunities. The Northern Alberta Development Council is of the opinion that connecting Fort Nelson and Rainbow Lake by a public highway will generate increased economic activity in the area.

Connection To BC Rail System

A highway connection to Fort Nelson through Rainbow Lake would provide access to the BC Rail transportation system. This would allow shippers to move product to the west coast through this rail transportation system.

Agricultural producers in the northern part of the Peace Region would benefit from this proposed Fort Nelson-Rainbow Lake highway connection by being able to move their farm products to the BC Rail system. This could be a less costly form of transportation for agricultural producers operating in this area of the Peace Region.

The forest industry in the High Level area may use the highway connection to transport forest products to Fort Nelson for rail transportation to west coast terminal handling facilities. This may provide a more direct route for the movement of these goods to Asia-Pacific markets.

Highway 58 (Alberta) Widening

There have been safety concerns expressed by the Towns of High Level and Rainbow Lake regarding the width of Highway 58 between the two communities. The concerns rest with safety considerations and the desire to see this stretch of Highway 58 widened.

If the highway connection between Fort Nelson and Rainbow Lake is built, there is merit with widening Highway 58 between High Level and Rainbow Lake. This is due to the potential increase in traffic resulting from the enhanced access to natural resources, economic activity and tourist generated traffic. Due to the potential increases in traffic, there is a concern with the safe use of Highway 58.

LOOKING TO THE FUTURE

Recommendations

Connecting Canada's Northwest

The development of this public highway connection will further connect Canada's northwest, while enhancing the use and development of *The Northwest Corridor*.

Over the years, the Northern Alberta Development Council has received a number of submissions regarding the need to develop northern Alberta's road infrastructure. These submissions have included the need to better connect northwest Canada. The main reason for these submissions is the realization that enhanced northern road infrastructure will create opportunities for resource, economic and tourism development.

Though the British Columbia part of the Fort Nelson-Rainbow Lake public highway connection is not included in the Northwest Canada Integrated Road Concept Plan at this time, the Concept Plan envisioned a northwest road system that would connect this part of Canada to advance northern development opportunities. By connecting Fort Nelson and Rainbow Lake, the goals of the Concept Plan will be further implemented and the associated opportunities realized.

Benefits of the Highway Connection

Throughout this Northern Alberta Development Council Position Paper, there have been a number of references to the

benefits of this public highway connection between Fort Nelson and Rainbow Lake. The following list is a summary of these benefits and the associated opportunities:

- ✓ increased trade and commerce between the Fort Nelson and Rainbow Lake areas;
- ✓ greater access to the oil and gas resources in the area, especially to the north of the highway connection;
- ✓ access to potential non-energy mineral development in the area;
- ✓ creating a new tourism route that will better connect northeastern British Columbia with northwestern Alberta, including the further promotion of the Deh Cho - The Mackenzie Connection tourist route;
- ✓ further developing northwest Canada's road infrastructure system;
- ✓ further advancing east-west transportation connections that will contribute to the increased use and development of *The Northwest Corridor*;
- ✓ increased safety through the development of a public highway between Fort Nelson and Rainbow Lake, as well as the widening of Highway 58; and
- ✓ enhanced access to emergency services.

Recommendations

The Northern Alberta Development Council recommends the following in regards to the proposal to develop a public highway connection between Fort Nelson, British Columbia and Rainbow Lake, Alberta.

Recommendation One

That the Northern Alberta Development Council encourage the Government of British Columbia to commit to the development of the Fort Nelson-Rainbow Lake highway connection.

Through its contact with the Northwest Corridor Development Corporation and the British Columbia Northern Development Commissioner, the Northern Alberta Development Council will promote the development of this highway connection. The Council sees merit with this proposal due to its contribution to the advancement of the development of northwestern Canada.

Recommendation Two

That the Northwest Canada Integrated Road Concept Plan be amended to include the public highway connection between Fort Nelson and Rainbow Lake.

The Concept Plan adopted by the Western Premiers does not include the British Columbia portion of this proposed highway connection. By recommending an amendment to the Concept Plan, the Government of British Columbia would be indicating its

support for the development of this connection. It is assumed, the proposed amendment to the Concept Plan would have to be approved by the Western Premiers.

Recommendation Three

That the proposed road connection between Fort Nelson and Rainbow Lake be considered a public highway.

The Northern Alberta Development Council sees merit with making this road connection a public highway, built to primary highway standards used by the respective provincial governments. This approach would allow: public use of the highway; provide a "spine" for resource companies to use for access roads to be developed into resource development activity areas; and ensure the on-going maintenance and upgrading of the highway.

Recommendation Four

That the widening of Highway 58 between Rainbow Lake and High Level be considered by the Government of Alberta as either apart of this proposal or as a "stand-alone" project.

Due to the current carriageway width of this section of Highway 58, there are a number of safety concerns. Increased traffic, especially industrial, has increased the level of these services. A connection to Fort Nelson would result in further traffic increases and the resultant safety concerns.